

**ECONOMIC DEVELOPMENT AGENCY
SUMMARY**

<u>GENERAL FUND</u>	<u>Page #</u>	<u>Requirements</u>	<u>Sources</u>	<u>Net County Cost</u>	<u>Staffing</u>
ECONOMIC DEVELOPMENT AGENCY	116				
ECONOMIC DEVELOPMENT	118	3,129,834	155,000	2,974,834	13
TOTAL GENERAL FUND		<u>3,129,834</u>	<u>155,000</u>	<u>2,974,834</u>	<u>13</u>

<u>SPECIAL REVENUE FUNDS</u>	<u>Page #</u>	<u>Requirements</u>	<u>Sources</u>	<u>Fund Balance</u>	<u>Staffing</u>
ECONOMIC DEVELOPMENT:					
COMMUNITY DEVELOPMENT AND HOUSING	124	41,106,041	19,607,995	21,498,046	20
WORKFORCE DEVELOPMENT	130	21,415,353	21,415,353	0	104
TOTAL SPECIAL REVENUE		<u>62,521,394</u>	<u>41,023,348</u>	<u>21,498,046</u>	<u>124</u>



ECONOMIC DEVELOPMENT AGENCY

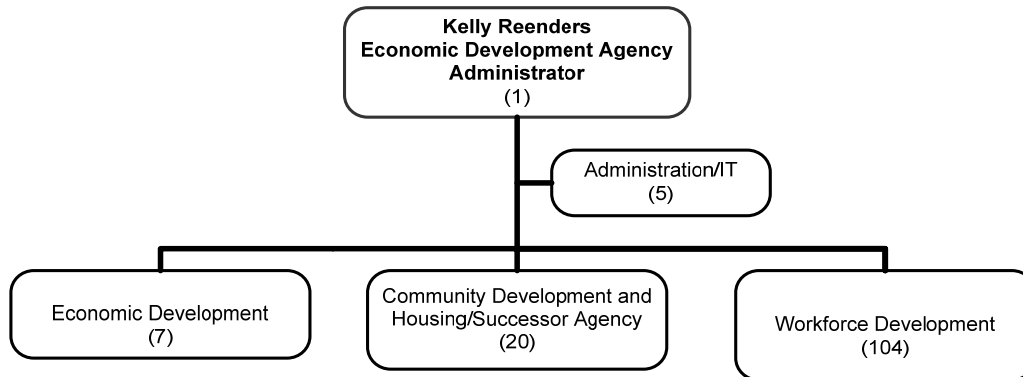
Kelly Reenders

AGENCY MISSION STATEMENT

The Economic Development Agency's mission is to create, maintain, and grow the economic value of San Bernardino County.



ORGANIZATIONAL CHART



2012-13 ACCOMPLISHMENTS

- Responded to over 150 inquiries for site selection packages and over 220 inquiries for incentive information and other technical assistance.
- Implemented a plan to construct a catalyst project in a highly visible low income neighborhood utilizing multiple funding streams overseen by different departments.
- Developed a 3-year plan to identify County capital improvement projects that meet Community Development Block Grant (CDBG) eligibility requirements and to utilize CDBG funding in order to free up discretionary general funding.
- Continued to develop relationships on behalf of the County with senior level executives nationwide.
- Ensured sales tax on capital equipment purchases is sited in the unincorporated area of the County.
- Implemented the Board's direction to track the board discretionary funds allocations, develop and monitor contracts, payment processing, and reporting balances by district by allocation.
- Retained \$11.4 million in Housing Fund Bond Proceeds for future affordable housing projects; Retained \$10.0 million of former redevelopment tax increments for bond projects; widening, median and sidewalk of Cherry Avenue from Whittman to Foothill (\$4.0 million); San Bernardino Avenue improvements (\$2.0 million).
- Met all state and federal deadlines for all programs and funding within the Economic Development Agency.
- Reviewed all 26 Successor Agency financial reports to ensure that the County's financial interests are protected. Additionally, conduct regular meetings with the County Oversight appointees to ensure they understand actions to be taken at the oversight meetings they are assigned to and to provide guidance on the County's concerns and issues.



SUMMARY OF BUDGET UNITS

	2013-14					
	Requirements	Sources	Net County Cost	Fund Balance	Net Budget	Staffing
<u>General Fund</u>						
Economic Development	3,129,834	155,000	2,974,834			13
Total General Fund	3,129,834	155,000	2,974,834			13
<u>Special Revenue Funds</u>						
Community Development and Housing	41,106,041	19,607,995		21,498,046		20
Workforce Development	21,415,353	21,415,353		0		104
Total Special Revenue Funds	62,521,394	41,023,348		21,498,046		124
<u>Other Agencies</u>						
Economic and Community Development Corp	1	1		0		0
County Industrial Development Authority	53,177	368		52,809		0
Total Other Agencies	53,178	369		52,809		0
Total - All Funds	65,704,406	41,178,717	2,974,834	21,550,855		137

The Agency provides overall administrative support and policy implementation to three departments as well as the Successor Agency to the County of San Bernardino Redevelopment Agency. This includes the facilitation of communication between the County Administrative Office as well as the Board of Supervisors. In addition, the Agency oversees the information technology function, public relations and marketing support.

Through the combination of four entities with common goals and objectives, the Agency provides leadership and direction to all 24 cities and private economic development organizations within the county.

NOTE: The "Other Agencies" budget units are reported in a separate document. The budget for the Agency is incorporated within the Department of Economic Development's budget unit.



ECONOMIC DEVELOPMENT

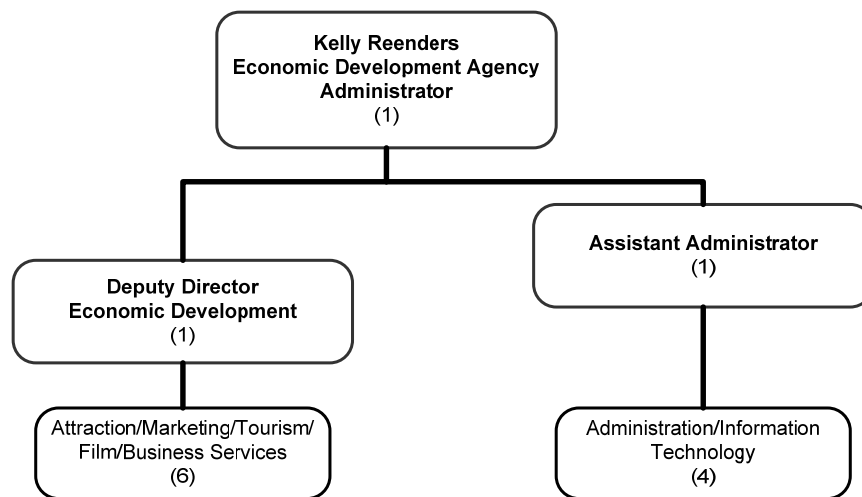
Kelly Reenders

DEPARTMENT MISSION STATEMENT

The Department of Economic Development fosters sustainable economic growth opportunities for job creation and revenue enhancement through comprehensive business expansion, attraction, and retention programs and services. The Department creates strategic partnerships with public and private entities to enhance global competitiveness and entrepreneurial development.



ORGANIZATIONAL CHART



2012-13 ACCOMPLISHMENTS

- Implemented programs to strengthen the County's brand regionally and nationally to site selectors, corporate real estate executives, investors, brokers and other stakeholders through speaking engagements, partnerships, advertising, direct outreach and public relations.
- Responded to over 150 inquiries for site selection packages and over 220 inquiries for incentive information and other technical assistance.
- The economic development effort Countywide resulted in 350 new businesses to the County in 2011-12. By applying a regional job multiplier based upon industry type, the new businesses created an economic impact of 10,327 jobs (*The data provided is based upon EMSI Economic Modeling multipliers*).
- Executed the State of the County event on April 10, 2013. This event seeks to attract and retain businesses within the County and connect stakeholders and community leaders.
- Continued regular meetings with San Bernardino County cities and towns economic development personnel to leverage community strengths and work cooperatively in economic development efforts.
- Ensured sales tax on capital equipment purchases is sited in the unincorporated area of the County.



COUNTY GOALS AND OBJECTIVES AND DEPARTMENT PERFORMANCE MEASURES**COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY**

- Objective(s):**
- *Focus EDA efforts on competing globally for investment, retraining and finding employment for those who have lost jobs or are under-employed, developing a more highly-educated and trained workforce, and creating an effective approach to tourism.*
 - *Utilize County programs and resources to maximize job creation.*

- Department Strategy:**
- *The Department's attraction efforts are based primarily on identifying suitable sites that meet the requirements of brokers, developers and entrepreneurs.*
 - *The Department coordinates site tours with other County entities including Land Use/Building and Safety/etc. to ensure a seamless process for the requesting client.*
 - *The Department invests in marketing services to generate private investment and foster job creation as well as develop strong regional and national business relationships.*
 - *The Department engages in a strategic marketing program that incorporates branding, technical programming, travel product development to enhance the County's tourism.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Estimate	2013-14 Target
Number of new businesses located to San Bernardino County that received countywide economic development assistance.	N/A	N/A	320	350
Number of estimated new jobs resulting from countywide attraction efforts.	N/A	N/A	5,000	5,500
Number of International/technical tour excursions booked in the County.	N/A	60	80	90

COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY

- Objective(s):**
- *Continue business retention and expansion programs while implementing office and industrial attraction strategies emphasizing provision of high-paying jobs.*

- Department Strategy:**
- *The Department actively engages in business counseling efforts to understand the needs of local businesses and evaluate retention and expansion opportunities.*
 - *The Department is actively working on an action plan that will position the County to take advantage of key economic development opportunities during the economic recovery.*
 - *The Department is utilizing the multiplier effect through job creation to stimulate aggregate demand within the County.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Estimate	2013-14 Target
Number of businesses retained and/or expanded in the County that received countywide economic development assistance.	N/A	N/A	160	180



SUMMARY OF BUDGET UNITS

	2013-14					
	Requirements	Sources	Net County Cost	Fund Balance	Net Budget	Staffing
<u>General Fund</u>						
Economic Development	3,129,834	155,000	2,974,834			13
Total General Fund	3,129,834	155,000	2,974,834			13

5-YEAR REQUIREMENTS TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Economic Development	3,595,461	3,065,030	2,774,965	3,045,214	3,129,834
Total	3,595,461	3,065,030	2,774,965	3,045,214	3,129,834

5-YEAR SOURCES TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Economic Development	339,247	201,441	149,787	130,000	155,000
Total	339,247	201,441	149,787	130,000	155,000

5-YEAR NET COUNTY COST TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Economic Development	3,256,214	2,863,589	2,625,178	2,915,214	2,974,834
Total	3,256,214	2,863,589	2,625,178	2,915,214	2,974,834



Economic Development

DESCRIPTION OF MAJOR SERVICES

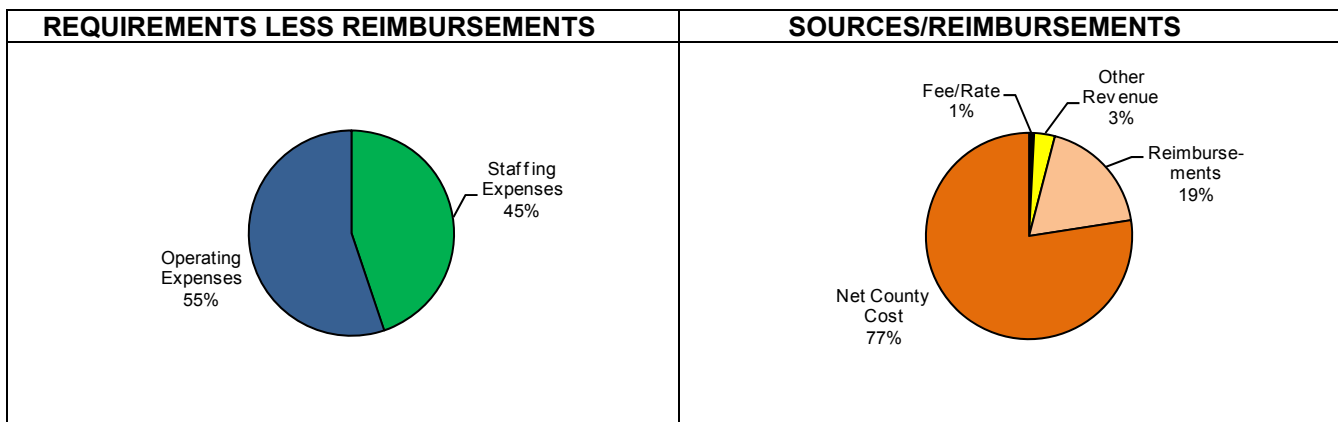
The Department of Economic Development's (ED) major goals are to foster job creation, increase private investment and enhance County revenues through the implementation of a Countywide economic development strategy. The strategy focuses on maximizing the standard of living of the County's residents, providing economic opportunities for the County's businesses, fostering a competitive environment and positioning the County as a highly competitive region for business opportunities. The strategy will emphasize industry sectors with high-growth potential and offering skilled high paying jobs.

The Department spearheads initiatives having local, national and international impact by forming internal and external strategic partnerships with key public and private sector organizations including, but not limited to, the State of California, San Bernardino County cities, the County of Riverside, as well as non-profit development corporations, developers, brokers, site selectors, corporate real estate executives and tenant representatives. Outreach to private sector stakeholders is conducted via a comprehensive media/marketing campaign.

The Department also creates and develops necessary support structures to foster a positive, creative and expanding business climate by offering a wide array of economic development programs and services including the following:

- Site Selection Assistance
- Market Analysis and Demographics
- Permitting Assistance
- Incentive Programs and Enterprise Zones
- Small Business Assistance and Technical Support
- Technical assistance and marketing support to County cities and economic development stakeholders.

2013-14 RECOMMENDED BUDGET

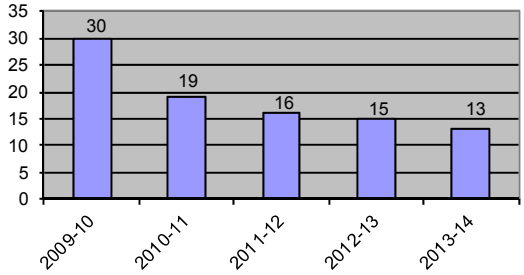


Budget at a Glance

Total Requirements	\$3,129,834
Total Sources	\$155,000
Net County Cost	\$2,974,834
Total Staff	13
Funded by Net County Cost	77%



BUDGETED STAFFING

STAFFING ANALYSIS					5-YEAR STAFFING TREND				
Authorized Positions	2011-12 Final	2012-13 Adopted	2012-13 Modified	2013-14 Recommended					
Regular	15	13	13	13					
Limited Term	1	1	2	0					
Total	16	14	15	13					
Staffing Expenses	\$1,566,766	\$1,650,731	\$1,650,731	\$1,721,891					

ANALYSIS OF 2013-14 RECOMMENDED BUDGET

GROUP: Economic Development
DEPARTMENT: Economic Development
FUND: General

BUDGET UNIT: AAA EDF
FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Estimate	2012-13 Modified Budget	2013-14 Recommended Budget	Change From 2012-13 Modified Budget
Requirements							
Staffing Expenses	2,533,189	1,931,327	1,566,706	1,616,264	1,650,731	1,721,891	71,160
Operating Expenses	2,735,356	2,187,151	2,035,867	2,160,588	2,300,624	2,118,692	(181,932)
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	5,268,545	4,118,478	3,602,573	3,776,852	3,951,355	3,840,583	(110,772)
Reimbursements	(1,716,566)	(1,100,675)	(904,657)	(749,448)	(906,141)	(710,749)	195,392
Total Appropriation	3,551,979	3,017,803	2,697,916	3,027,404	3,045,214	3,129,834	84,620
Operating Transfers Out	40,000	0	0	0	0	0	0
Total Requirements	3,591,979	3,017,803	2,697,916	3,027,404	3,045,214	3,129,834	84,620
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	0	0	0	0	0	0
Fee/Rate	15,351	31,176	33,788	31,050	30,000	30,000	0
Other Revenue	20,476	158,865	116,000	120,000	100,000	125,000	25,000
Total Revenue	35,827	190,041	149,788	151,050	130,000	155,000	25,000
Operating Transfers In	300,000	11,400	0	0	0	0	0
Total Sources	335,827	201,441	149,788	151,050	130,000	155,000	25,000
Net County Cost	3,256,152	2,816,362	2,548,128	2,876,354	2,915,214	2,974,834	59,620
Budgeted Staffing					15	13	(2)

MAJOR EXPENDITURES AND REVENUE IN 2013-14 RECOMMENDED BUDGET

Staffing expenses of \$1.7 million fund 13 budgeted regular positions.

Operating expenses of \$2.1 million include costs of various Economic Development programs (real estate related trade shows, advertising, public relations, and tourism), travel, and internal transfers out (County Counsel charges, facilities, etc.).

Reimbursements of \$710,749 represent the cost allocation to other Economic Development Agency (EDA) departments of EDA staff.



Sources of \$155,000 represent registration fees and sponsorships for the State of the County event planned for the spring of 2014.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements have a net increase of approximately \$85,000 from the 2012-13 modified budget, reflecting staffing expense increases due to position step advancements and increased retirement costs, as well as significant reductions in reimbursements due to reorganization within the Agency departments.

Sources increased by \$25,000 reflecting additional revenue anticipated from sponsorships of the 2014 State of the County event based on actuals from the 2013 event.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$1.7 million fund 13 budgeted regular positions. Budget reductions, cost increases and program changes in 2013-14 resulted in the deletion of 2 Public Services Employee positions and the addition of 1 ECD Technician position to assist with low to mid-level economic development tasks. Additionally, due to the reduction in the EDA graphic design workload, the filled Graphic Designer I position and the incumbent will be transferred to the Purchasing Department to help address Printing Services Division increase in graphic design services workload.

2013-14 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Economic Development Agency	1	0	1	1	0	0	1
Economic Development	7	0	7	5	1	1	7
Administration / Information Technology	5	0	5	5	0	0	5
Total	13	0	13	11	1	1	13

Economic Development Agency	Economic Development	Administration / Information Technology
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Administrator	1 Deputy Director	1 Assistant Administrator
1 Total	1 Economic Development Manager	1 Executive Secretary III
	3 Economic Dev. Coordinator III	1 Staff Analyst II
	1 ECD Technician	1 Automated Systems Analyst
	1 Staff Analyst II	1 Payroll Specialist
	7 Total	5 Total



COMMUNITY DEVELOPMENT AND HOUSING

Patricia M. Cole (Community Development and Administration)
Dena Fuentes (Housing & Successor Agency)

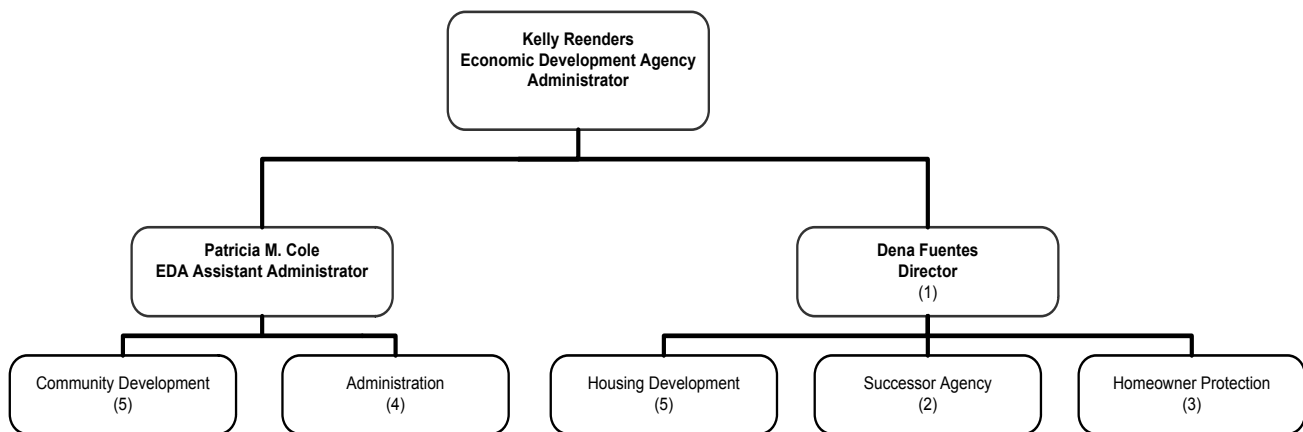
DEPARTMENT MISSION STATEMENT



The mission of Community Development and Housing is to achieve economic and community revitalization through stakeholder collaboration and leveraging of federal, state and local resources.



ORGANIZATIONAL CHART



2012-13 ACCOMPLISHMENTS

- In addition to completing the third of a three-year plan to bring operating expenditures within the annual operating revenue allowances without the use of one-time reserves, the Department also drafted a five-year revenue and expense plan to ensure that ongoing funds will pay for ongoing expenses.
- Utilized federal funds in coordination with 12 cooperating cities and various County departments to construct and/or improve a total of 41 public facilities and infrastructure projects, as well as operate up to 30 public service programs to the benefit of 173,511 residents.
- Completed the site assembly of 9 acres in the unincorporated community of Bloomington
- Executed an Exclusive Negotiation Agreement with The Related Companies for the development of a mixed-use development that includes a multi-generational affordable housing project and new library.
- Executed agreements to invest \$5.1 million of HOME Investment Partnership Act Grant (HOME) funds in the cities of Loma Linda and Yucca Valley for the development of two senior affordable housing communities resulting in 125 total units.
- Invested \$4.4 million of Neighborhood Stabilization Program funds for the development of affordable housing communities in the City of Rialto and the unincorporated area of Colton resulting in 108 affordable units.
- Investment of \$19.2 million of federal funds resulted in the completion of 397 affordable units in the cities of Barstow, San Bernardino, and Yucaipa.
- Secured Department of Finance approval to use the Housing Bond Proceeds of \$11.4 million.
- Met the requirements of the Redevelopment Dissolution Act.
- Completed the site assembly of 14 acres across from the Auto Club Speedway.



- Retained \$10 million of former Redevelopment Agency Bond funds to complete three key infrastructure projects.
- Coordinated and reviewed all financial actions of the 26 Oversight Boards for the County regarding the Redevelopment Dissolution Act.
- Created the Homeownership and Foreclosure Prevention Joint Powers Authority to identify funding and programs to assist with foreclosure prevention.
- Entered into a collaborative agreement with the Department of Behavioral Health to revitalize communities through the development of affordable housing.
- Provided homeless prevention services and emergency shelter nights to 29,245 households annually.
- Rental and utility assistance to 395 households annually; Educational Training to 525 households annually.
- Met expenditure requirements for the Neighborhood Stabilization Programs.

COUNTY GOALS AND OBJECTIVES AND DEPARTMENT PERFORMANCE MEASURES

COUNTY GOAL: PROVIDE FOR THE HEALTH AND SOCIAL SERVICES NEEDS OF COUNTY RESIDENTS

Objective(s): • *Promote public/private collaboration and projects that help to meet the health and human service needs of county residents.*

Department Strategy: • *Through collaboration with both the cities and various county departments, Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) funds are leveraged to augment the various public service programs and projects, within the county, in response to the needs of low- and moderate-income persons and/or persons with special needs.*

	2011-12	2012-13	2012-13	2013-14
Measurement	Actual	Target	Estimate	Target
Number of county residents benefiting from public service programs and projects.	19,852	21,000	20,000	21,000

COUNTY GOAL: IMPLEMENT THE COUNTYWIDE VISION

Objective(s): • *Continue the County role of convening conversations on community collaboration and collective action.*

Department Strategy: • *Create an Affordable Housing Collaborative to create relationships and share ideas on leveraging affordable housing and other County resources to effectuate community and neighborhood revitalization.*

	2011-12	2012-13	2012-13	2013-14
Measurement	Actual	Target	Estimate	Target
Number of active organizations in the Affordable Housing Collaborative.	N/A	N/A	N/A	100



COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY**Objective(s):** • *Work with cities to explore programs and approaches to address the mortgage crisis.***Department Strategy:** • *Work with cities, housing counseling agencies, government entities and lenders, to promote foreclosure prevention events and encourage homeowner participation in events and programs to maintain levels of homeownership.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Estimate	2013-14 Target
Promote foreclosure prevention events hosted by non-profit housing counseling agencies, lenders, and federally funded entities.	N/A	N/A	16	20
Direct mail and email campaigns to constituents to inform them of foreclosure and prevention events and programs.	N/A	N/A	4	10
Provide foreclosure prevention information via website [www.saveyourhomesbcounty.org] to homeowners within the County (number of unique page views on website).	N/A	N/A	1,600	3,000

SUMMARY OF BUDGET UNITS**2013-14**

	Requirements	Sources	Net County Cost	Fund Balance	Net Budget	Staffing
Special Revenue Fund						
Community Development and Housing	41,106,041	19,607,995		21,498,046		20
Total Special Revenue Fund	41,106,041	19,607,995		21,498,046		20

5-YEAR REQUIREMENTS TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Community Development and Housing	42,326,556	42,021,486	52,046,540	82,817,608	41,106,041
Total	42,326,556	42,021,486	52,046,540	82,817,608	41,106,041

5-YEAR SOURCES TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Community Development and Housing	23,422,053	24,926,121	32,902,601	36,708,606	19,607,995
Total	23,422,053	24,926,121	32,902,601	36,708,606	19,607,995

5-YEAR FUND BALANCE TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Community Development and Housing	18,904,503	17,095,365	19,143,939	46,109,002	21,498,046
Total	18,904,503	17,095,365	19,143,939	46,109,002	21,498,046



Community Development and Housing

DESCRIPTION OF MAJOR SERVICES

Community Development and Housing (CDH) seeks to better the quality of life for the residents of San Bernardino County by providing community and housing development resources. CDH administers several Federal Department of Housing and Urban Development (HUD) programs. These programs are the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnership Act Grant (HOME) and Neighborhood Stabilization Program (NSP).

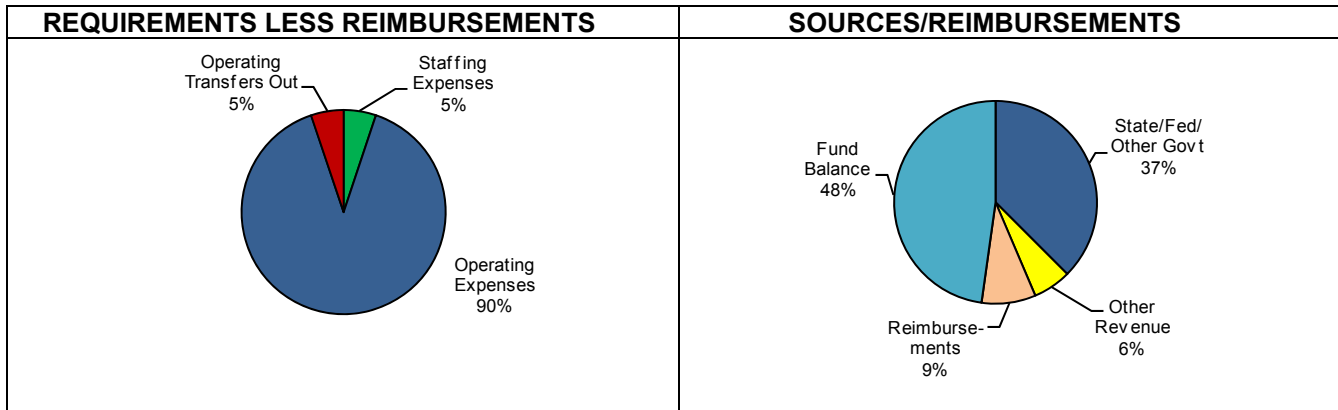
Budget at a Glance

Total Requirements	\$41,106,041
Total Sources	\$19,607,995
Fund Balance	\$21,498,046
Use of Fund Balance	\$21,498,046
Total Staff	20

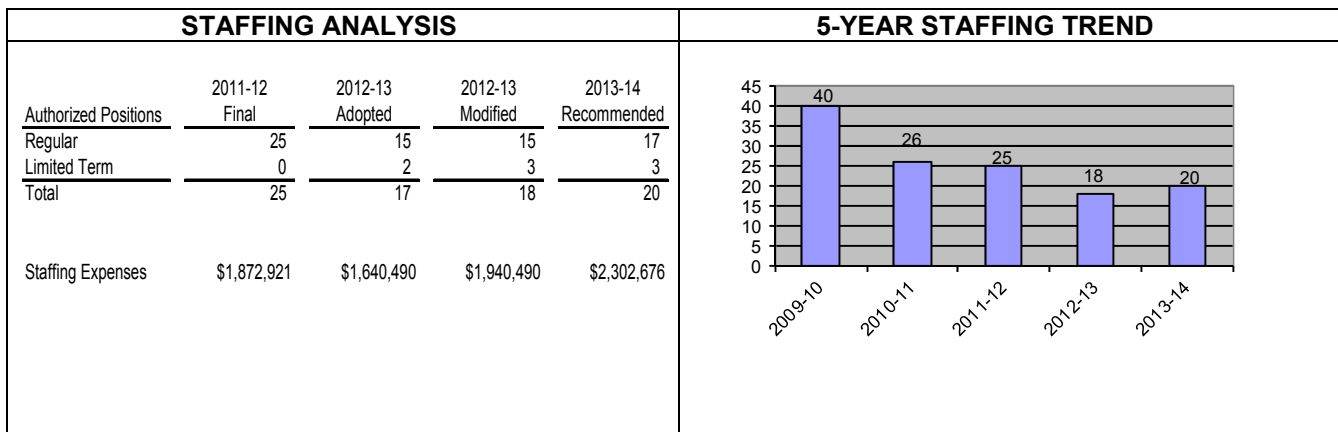
On June 29, 2011, the Governor signed Assembly Bill X1 26 (Dissolution Act) as part of the State's budget package and on December 29, 2011 the California Supreme Court upheld this legislation. The Dissolution Act mandates the elimination of every redevelopment agency in California, effective February 1, 2012, and mandates all unobligated funds be distributed to the appropriate taxing entities. The Housing Successor retained the housing functions of the former Redevelopment Agency (RDA) and has all rights, power, duties, and obligations related to building, preserving, and rehabilitating affordable housing for low to moderate income households. For fiscal year 2012-13, the Housing Successor was incorporated into CDH; however a separate budget unit was maintained pending additional guidelines relating to the RDA dissolution. For 2013-14, the budget unit and all supporting schedules have been consolidated within CDH's budget since it was determined there is no need to present separate budget units.

During 2013-14 CDH will leverage housing and federal funds to continue the major revitalization effort in the Bloomington community.

2013-14 RECOMMENDED BUDGET



BUDGETED STAFFING



ANALYSIS OF 2013-14 RECOMMENDED BUDGET

GROUP: Economic Development
 DEPARTMENT: Community Development and Housing
 FUND: Community Development and Housing

BUDGET UNIT: Various
 FUNCTION: Public Assistance
 ACTIVITY: Other Assistance

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Estimate	2012-13 Modified Budget	2013-14 Recommended Budget	Change From 2012-13 Modified Budget
Requirements							
Staffing Expenses	2,608,966	2,442,861	1,872,920	1,870,554	1,940,490	2,302,676	362,186
Operating Expenses	25,016,165	18,202,562	29,004,275	25,652,153	66,378,137	40,364,126	(26,014,011)
Capital Expenditures	28,775	0	2,285,449	362,157	366,000	0	(366,000)
Contingencies	0	0	0	0	9,143,591	0	(9,143,591)
Total Exp Authority	27,653,906	20,645,423	33,162,644	27,884,864	77,828,218	42,666,802	(35,161,416)
Reimbursements	(1,719,231)	(1,567,356)	(1,913,666)	(3,033,267)	(2,703,686)	(3,886,792)	(1,183,106)
Total Appropriation	25,934,675	19,078,067	31,248,978	24,851,597	75,124,532	38,780,010	(36,344,522)
Operating Transfers Out	627,762	3,269,326	3,823,296	3,700,917	7,693,076	2,326,031	(5,367,045)
Total Requirements	26,562,437	22,347,393	35,072,274	28,552,514	82,817,608	41,106,041	(41,711,567)
Sources							
Taxes	29,479	570	1,153,330	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	18,409,390	19,275,623	29,251,744	18,072,829	32,239,815	16,874,842	(15,364,973)
Fee/Rate	1,657	14,563	13,603	13	0	0	0
Other Revenue	5,610,805	5,072,942	3,046,400	(14,781,284)	3,818,791	1,908,877	(1,909,914)
Total Revenue	24,051,331	24,363,698	33,465,077	3,291,558	36,058,606	18,783,719	(17,274,887)
Operating Transfers In	0	907	320,852	650,000	650,000	824,276	174,276
Total Sources	24,051,331	24,364,605	33,785,929	3,941,558	36,708,606	19,607,995	(17,100,611)
Fund Balance					46,109,002	21,498,046	(24,610,956)
Budgeted Staffing					18	20	2

MAJOR EXPENDITURES AND REVENUE IN 2013-14 RECOMMENDED BUDGET

Operating expenses and operating transfers out of \$42.7 million primarily relate to infrastructure construction projects and community development programs funded by the Department, including rehabilitation of low, moderate or middle income residential units.

Sources of \$19.6 million primarily represent federal funding for CDBG, HOME, and ESG programs as allocated by formula to the County and participating cities.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are decreasing by \$41.7 million. The decrease is due primarily to the one-time payment of \$15.0 million and the transfer of \$11.4 million in bonds proceeds from the Housing Successor to the Successor Agency as required for the dissolution of the former RDA. Approximately \$9.1 million of funds held by HUD and committed to current projects, but planned to be disbursed in future fiscal years, are excluded from the 2013-14 budgeted contingencies. The completion of large infrastructure and other projects represents approximately \$5.4 million of the decrease and sequestration funding reductions represent \$800,000.

Sources are decreasing by \$17.1 million due in part to an expected 9% sequestration reduction of \$800,000 in federal allocation for the CDBG, HOME and ESG programs, as well as a change in strategy of not budgeting funding of \$9.1 million for future year disbursements in the current year. Completion of large multi-year projects in 2012-13 accounts for \$5.2 million of the decreased financing sources in 2013-14. Additionally, a \$1.9 million reduction in revenue is due primarily to the receipt of one time program income for the NSP program combined with lower loan repayments due to loan maturities and/or defaulted loans, and reduced interest earned as a result of lower principal balances.



STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$2.3 million fund 20 budgeted positions of which 17 are regular positions and 3 are limited term positions.

The 2013-14 budget includes the addition of 1 Staff Analyst II and 1 CDH Analyst II to assist with fiscal/administrative and program compliance/monitoring functions, respectively. The Department conducted a five year revenue and expense analysis in 2013 and has identified that there is sufficient ongoing funding to support the addition of the two new positions.

In 2012-13 the department deleted a net 10 positions from the budget due to significant federal funding reductions and added 2 positions for the Homeownership Protection and Foreclosure Prevention Program funded using County contingencies. During 2012-13 an additional position was added for the Homeownership Protection and Foreclosure Prevention Program.

2013-14 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Administration	4	0	4	3	0	1	4
Community Development	5	0	5	5	0	0	5
Housing Development	5	1	6	5	0	1	6
Housing Successor	2	0	2	2	0	0	2
Homeowner Protection	1	2	3	2	1	0	3
Total	17	3	20	17	1	2	20

Administration	Community Development	Housing Development
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Administrative Supervisor II	1 Supervising CDH Analyst	1 CDH Director
1 Executive Secretary II	3 CDH Analyst II	1 Deputy Director, CDH
1 Staff Analyst II	1 CDH Technician	1 CDH Project Manager
1 Fiscal Specialist	5 Total	2 CDH Analyst II
4 Total		1 Real Estate Specialist
		6 Total
Housing Successor	Homeowners Protection	
<u>Classification</u>	<u>Classification</u>	
1 Deputy Director, Housing Successor	2 Contract Housing Analyst	
1 Staff Analyst II	1 Secretary I	
2 Total	3 Total	



WORKFORCE DEVELOPMENT

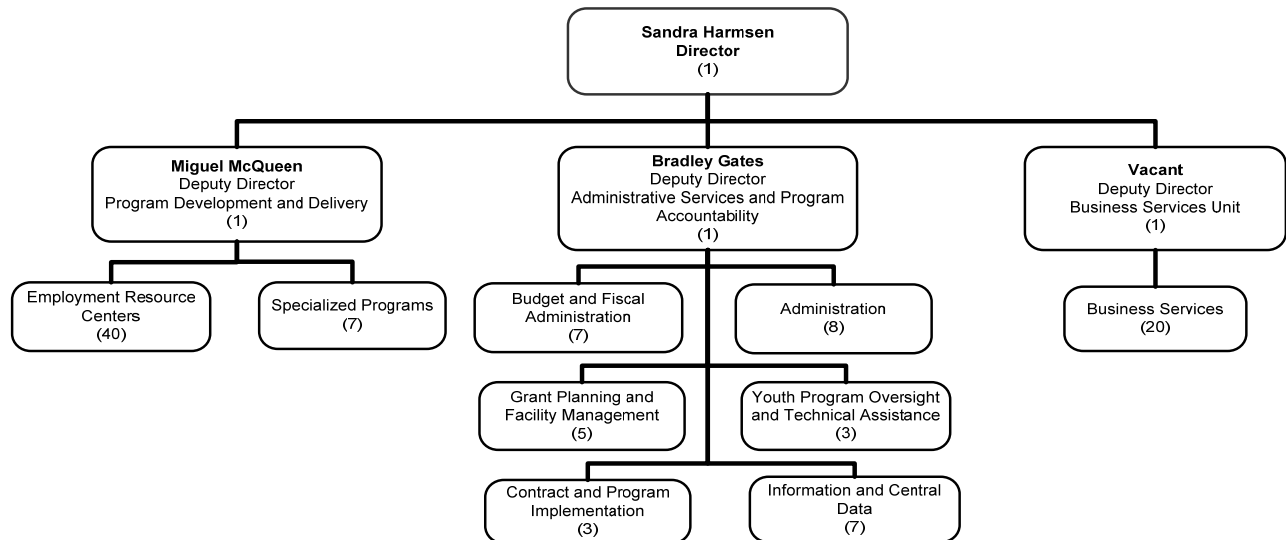
Sandra Harmsen

DEPARTMENT MISSION STATEMENT

The Department of Workforce Development serves residents and businesses in the County of San Bernardino by developing a skilled workforce that meets the ever-changing demands of the business community.



ORGANIZATIONAL CHART



2012-13 ACCOMPLISHMENTS

- Met or exceeded all federal and state performance standards under the Workforce Investment Act Adult and Youth Programs.
- Opened a new Employment Resource Center in Victorville to expand services to jobseekers and businesses in the High Desert region.
- Received 65,000 visits by jobseekers at the Employment Resource Centers.
- Provided over 11,000 intensive employment services to residents, including career counseling, skills and aptitude assessment, and supportive services.
- Enrolled 1,925 residents in vocational or On-the-Job training programs.
- Visited over 5,200 businesses to provide resources and employer services.
- Conducted assessment surveys with over 2,650 businesses in order to address business concerns and identify companies at risk of closure or reductions in workforce.
- Assisted 600 local businesses through workshops and consulting services for marketing, cost cutting, process improvement and human resources.
- Hosted six regional job fairs attended by 350 businesses and 8,500 jobseekers.
- Initiated a pilot program aimed to identify, support and train residents to become entrepreneurs.
- Provided Rapid Response services to assist 1,000 individuals affected by layoffs with reemployment services.
- Served 582 at-risk youth with job readiness training, work experience and education services.
- Established a partnership with the San Bernardino County Housing Authority to provide job placement services to residents of affordable housing communities.
- Partnered with the County Sheriff's department to provide employment services to individuals transitioning out of the corrections system.
- Collaborated with County Probation to assist parolees with job readiness and job placement assistance at the Day Reporting Centers.



COUNTY GOALS AND OBJECTIVES AND DEPARTMENT PERFORMANCE MEASURES**COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY**

- Objective(s):**
- *Focus EDA efforts on competing globally for investment, retraining and finding employment for those who have lost jobs or are under-employed, developing a more highly-educated and trained workforce, and creating an effective approach to tourism.*
 - *Utilize County programs and resources to maximize job creation.*

- Department Strategy:**
- *Serve residents with employment services provided through the County's three Employment Resource Centers.*
 - *Train individuals to gain employment in the in-demand occupations in San Bernardino County.*
 - *Provide On-the-Job Training services for unemployed and long-term unemployed individuals.*
 - *Provide Rapid Response services to residents affected by lay offs.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Estimate	2013-14 Target
Number of Employment Resource Center visits.	79,245	60,000	65,000	60,000
Number of residents receiving training services.	2,986	2,000	1,700	2,000
Number of residents receiving On-the-Job training services.	384	225	225	240

During 2011-12, San Bernardino County experienced a 14.2% unemployment rate. The unemployment rate currently stands at 10.5%. With decreasing unemployment, we anticipated 60,000 visits to the centers in 2012-13. Based upon actuals to date, we estimate a total of 65,000 visits by June 30, 2013. Based on the 2012-13 estimates, and the fact a downward trend in unemployment is expected to continue, visits to the centers are expected to decrease in 2013-14.

In anticipation of sequestration and funding reductions, training services were reduced in 2012-13. However, the level of sequestration was not as severe as expected and therefore training services are expected to increase for 2013-14.

COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY

- Objective(s):**
- *Continue business retention and expansion programs while implementing office and industrial attraction strategies emphasizing provision of high-paying jobs.*
 - *Utilize County programs and resources to maximize job creation.*

- Department Strategy:**
- *Retain County businesses through proactive outreach to identify and resolve business concerns.*
 - *Provide the business community with resources that help them grow.*
 - *Assist employers by providing customized recruiting services to fill their vacant positions.*
 - *Identify at-risk businesses and provide resources to avert potential layoffs.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Estimate	2013-14 Target
Number of Business Assessment Surveys performed.	2,356	2,400	2,650	2,200
Number of business visits.	4,730	5,000	5,200	6,000
Number of businesses served through workshop and consulting services.	1,085	600	630	600

Business Assessment Surveys are performed during first-time visits by Business Services Representatives (BSR). Due to sequestration and a reduction in Workforce Investment Act (WIA) funding, the Business Services Unit will reassign three BSRs to become Job Placement Specialists, reducing the number of staff performing Business Assessment Surveys.

The total number of visits to business includes first-time visits and all follow up visits. To meet WIA mandates, BSRs will increase return visits to business for the purpose of job development and on-the-job training opportunities for customers. Due to recent utilization of portable technology and efficiencies made in client management software, BSRs will be able to spend more time in the field rather than returning to the office for data entry, which results in an increase in total business visits.

The number of businesses receiving workshop and consulting services has decreased from 2011-12 due to a reduction in available funding for these services.



COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY

Objective(s): • *Focus EDA efforts on competing globally for investment, retraining and finding employment for those who have lost jobs or are under-employed, developing a more highly-educated and trained workforce, and creating an effective approach to tourism.*

Department Strategy: • *Work with Youth Providers to serve at-risk youth to prepare them to enter the workforce.*
• *Assist at-risk youth in obtaining a GED, High School Diploma, Training Certificate or Associates Degree.*
• *Provide work experience opportunities for at-risk youth.*

Measurement	2011-12 Actual	2012-13 Target	2012-13 Estimate	2013-14 Target
Number of at-risk youth enrolled.	559	554	665	476
Number of at-risk youth placed in employment.	444	400	507	361
Number of at-risk youth attaining GED, High School Diploma, Training Certificate or Associates Degree.	465	425	581	285
The anticipated reduction in the number of youth enrolled, placed in employment and attaining GED, High School Diploma, Training Certificate or Associates Degree is directly related to a decrease in federal funds.				

SUMMARY OF BUDGET UNITS**2013-14**

	Requirements	Sources	Net County Cost	Fund Balance	Net Budget	Staffing
Special Revenue Fund						
Workforce Development	21,415,353	21,415,353		0		104
Total Special Revenue Fund	21,415,353	21,415,353		0		104

5-YEAR REQUIREMENTS TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Workforce Development	25,318,326	23,471,089	21,028,929	24,342,129	21,415,353
Total	25,318,326	23,471,089	21,028,929	24,342,129	21,415,353

5-YEAR SOURCES TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Workforce Development	25,452,708	23,692,723	20,585,504	24,066,248	21,415,353
Total	25,452,708	23,692,723	20,585,504	24,066,248	21,415,353

5-YEAR FUND BALANCE TREND

	2009-10	2010-11	2011-12	2012-13	2013-14
Workforce Development	(134,382)	(221,634)	443,425	275,881	0
Total	(134,382)	(221,634)	443,425	275,881	0



Workforce Development

DESCRIPTION OF MAJOR SERVICES

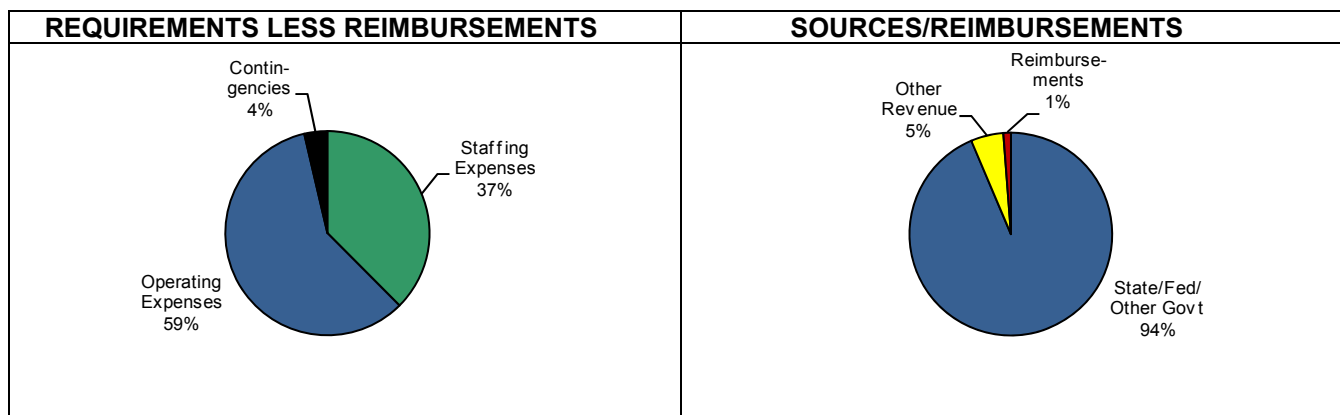
The Department of Workforce Development (WDD) provides services to job seekers, incumbent workers, entrepreneurs and employers through Workforce Investment Act (WIA) funding from the Department of Labor. Services are delivered to job seekers and businesses throughout the County via the department's Employment Resource Centers. These Centers are strategically placed in three of the County's economic regions. Services delivered include job search, skills assessments, vocational training, job readiness skills, connection to employers, assisting businesses with outreach services, recruitment efforts and employee retention. Understanding that increased employment opportunities enhance the quality of life for residents, WDD strives to ensure that the needs of local businesses are met by providing them with a skilled workforce, thus supporting the mission of the County.

The Workforce Investment Board (WIB) administratively oversees the programs offered through the Department. The WIB's focus has been on demand industry sectors, and the WIB has worked diligently with businesses to target these demand occupations and high growth industries. The WIB is composed of private business representatives, labor organizations, and public sector partners who have been appointed by the County Board of Supervisors.

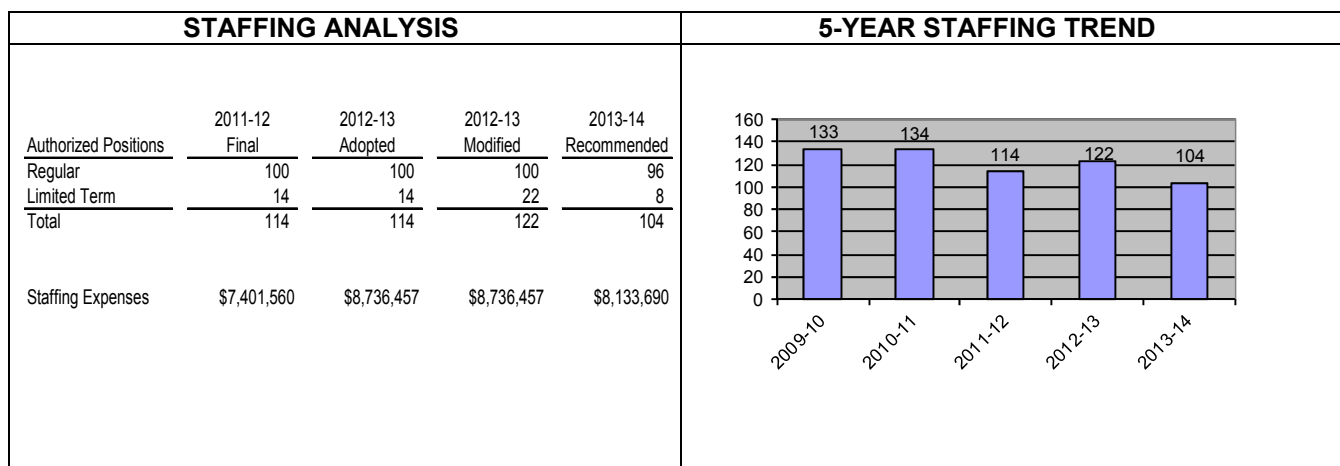
Budget at a Glance

Total Requirements	\$21,415,353
Total Sources	\$21,415,353
Fund Balance	\$0
Use of Fund Balance	\$0
Total Staff	104

2013-14 RECOMMENDED BUDGET



BUDGETED STAFFING



ANALYSIS OF 2013-14 RECOMMENDED BUDGET

GROUP: Economic Development
DEPARTMENT: Workforce Development
FUND: Workforce Development

BUDGET UNIT: SAC JOB
FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Estimate	2012-13 Modified Budget	2013-14 Recommended Budget	Change From 2012-13 Modified Budget
Requirements							
Staffing Expenses	6,970,256	8,818,615	7,352,095	7,911,971	8,736,457	8,133,690	(602,767)
Operating Expenses	21,773,447	26,303,948	15,310,596	13,236,517	14,876,229	12,748,020	(2,128,209)
Capital Expenditures	37,077	45,000	14,485	0	0	0	0
Contingencies	0	2,305,114	0	0	1,700,000	790,054	(909,946)
Total Exp Authority	28,780,780	37,472,677	22,677,176	21,148,488	25,312,686	21,671,764	(3,640,922)
Reimbursements	(3,193,298)	(10,207,088)	(2,203,014)	(249,254)	(970,557)	(256,411)	714,146
Total Appropriation	25,587,482	27,265,589	20,474,162	20,899,234	24,342,129	21,415,353	(2,926,776)
Operating Transfers Out	0	0	0	0	0	0	0
Total Requirements	25,587,482	27,265,589	20,474,162	20,899,234	24,342,129	21,415,353	(2,926,776)
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	24,824,100	27,017,198	19,953,256	19,784,558	23,393,665	20,287,489	(3,106,176)
Fee/Rate	0	0	0	0	0	0	0
Other Revenue	548,449	470,025	460,456	838,795	672,583	1,127,864	455,281
Total Revenue	25,372,549	27,487,223	20,413,712	20,623,353	24,066,248	21,415,353	(2,650,895)
Operating Transfers In	0	0	0	0	0	0	0
Total Sources	25,372,549	27,487,223	20,413,712	20,623,353	24,066,248	21,415,353	(2,650,895)
Fund Balance					275,881	0	(275,881)
Budgeted Staffing					122	104	(18)

MAJOR EXPENDITURES AND REVENUE IN 2013-14 RECOMMENDED BUDGET

Staffing expenses of \$8,133,690 fund 104 budgeted positions.

Operating expenses of \$12,748,020 include costs associated with the Department's three Employment Resource Centers such as rent, computers/hardware/software and office supplies, staff travel and training costs, professional services, insurance, and County vehicle usage. Operating expenses also include \$8,858,932 in direct services to job seekers and business customers.

Reimbursements of \$256,411 represent payments from other departments for program services provided through various Memorandums of Understanding (MOU).

Sources of \$21,415,353 represent funding the Department receives from various state and federal grants, primarily from the federal Workforce Investment Act (WIA) of 1998.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements have decreased by \$2,926,776 due to a reduction in sources of \$2,650,895. The decrease in sources is a result of reduced federal funding and will result in fewer customers receiving vocational training and supportive services.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$8,133,690 fund 104 budgeted positions of which 96 are regular positions and 8 are limited term positions.

In 2013-14, the Department deleted 4 regular vacant positions and 14 limited term positions, for a total reduction of 18 positions. The limited term positions were utilized for staffing special projects tied to temporary funding sources ending June 30, 2013. The Department anticipates maintaining current levels of service for its primary mandated tasks of providing employment services to job seekers and businesses.



2013-14 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Executive Office	3	2	5	4	1	0	5
Administrative Services	29	1	30	26	4	0	30
Program Delivery and Outreach	43	5	48	46	2	0	48
Business Services Unit	21	0	21	20	1	0	21
Total	96	8	104	96	8	0	104

Executive Office	Administrative Services	Program Delivery and Outreach
<u>Classification</u>	<u>Classification</u>	<u>Classification</u>
1 Director of Workforce Development	1 Deputy Director	1 Deputy Director
1 Workforce Investment Board Aide	1 Secretary I	3 Workforce Development Manager
1 Executive Secretary II	1 Administrative Supervisor II	3 Workforce Development Supervisor I
1 Office Assistant III	1 Administrative Supervisor I	33 Workforce Development Specialist
1 Extra Help (Policy Advisor)	6 Staff Analyst II	3 Workforce Development Technician
5 Total	4 Staff Analyst I	5 Office Assistant II
	1 Program Specialist I	48 Total
	1 Workforce Development Specialist	
	6 Workforce Development Technician	
	1 Automated Systems Technician	
	1 Accountant II	
	1 Accounting Technician	
	1 Fiscal Specialist	
	3 Fiscal Assistant	
	1 Office Assistant III	
	30 Total	
Business Services Unit		
<u>Classification</u>		
1 Deputy Director		
2 Workforce Development Supv I		
17 Workforce Development Specialist		
1 Workforce Development Technician		
21 Total		



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